

**Minutes
Tempe Police Public Safety Personnel
Retirement System Board
January 5, 2017**

Minutes of the Tempe Police Public Safety Personnel Retirement System Board meeting, held on Thursday, January 5, 2017, 2:00 p.m., in Tempe City Hall, Third Floor Conference Room, 31 E. 5th Street, Tempe, Arizona.

Board Members Present:

Steven Methvin
Jim Foley
Bill Goodman
Kelly McMenemy
Jeff Millen

Board Members Absent:

None

City Staff Present:

Renie Broderick, Internal Services Director
Chris Hansen, Risk Manager
Wendy Messina, HR Program Coordinator
Susan Buck, Executive Assistant

Legal Counsel Present:

Cynthia Kelley

Chair Steven Methvin called the meeting to order at 2:10 p.m.

ITEM I – Consideration of Meeting Minutes:

Motion by Jeff Millen to approve the December 1, 2016 Board Meeting Minutes and the December 1, 2016 Fire & Police Joint Meeting Minutes; second by Kelly McMenemy. Motion passed on a voice vote 5-0.

ITEM II - Public Appearances:

There were no public appearances.

ITEM III - Motion to Adjourn to Executive Session, if necessary:

No executive session was held.

ITEM IV – Initial Hearing for Accidental Disability Benefits:

Chair Steven Methvin stated that this is the initial hearing for accidental disability benefits of Aimee Willcoxson. Chair Methvin noted that the Board must determine whether the documentation submitted by Ms. Willcoxson and distributed to the Board in their meeting packet is sufficient to conclude that the statutory pre-requisites are satisfied.

Chair Methvin asked if anyone present wished to address the Board on this matter; no one requested to do so. Chair Methvin then opened the item for discussion.

Boardmember Jeff Millen asked if it was necessary to complete the form P5-LB-A during the meeting. Board Legal Counsel Cynthia Kelley stated that it was dependent upon the Board's decision.

Motion by Jeff Millen to approve Aimee Willcoxson for an Independent Medical Exam (IME); second by Bill Goodman. Kelly McMenemy abstained. Motion passed on a voice vote 4-0-1. Boardmember Millen was designated to coordinate the IME.

ITEM V – Status Update on Denial of Application for Accidental Disability Benefits:

Local Board Secretary Renie Broderick stated that applicant John O. Rall did *not* submit a written appeal for the denial of his claim for accidental disability benefits. The end date of Mr. Rall's 60-day appeal period was December 5, 2016.

ITEM VI – Public Safety Personnel Retirement System (PSPRS) News: Employer Contribution Rates / 2016 Tempe Police PSRPS Actuarial Report and Update on the “Hall” Decision.

Ms. Broderick stated that the 2016 Tempe Police PSPRS Actuarial Report was issued last month and reflects an employer contribution rate of 56.57% effective July 1, 2017; the report also shows a funded status of 41%.

Motion by Jeff Millen to accept the 2016 Tempe Police PSPRS Actuarial Report; second by Bill Goodman. Motion passed on a voice vote 5-0.

ITEM VII – PSPRS Membership: Point of Hire vs. Completion of Academy

Chair Methvin called on Boardmember Jeff Millen to introduce this item. Boardmember Millen stated that he requested this item be listed for discussion since it is his understanding that Tempe is one of the few agencies that puts Police new hires into the Arizona State Retirement System (ASRS) during academy, in an apparent effort to protect the PSPRS fund in case the employee is injured during academy.

Wendy Messina, HR Program Coordinator, stated that is correct. Ms. Messina stated that a police recruit hired previous to 1999 was automatically put into PSPRS at the time of hire. Ms. Messina stated that in 1999 the Tempe Local Board voted to change that practice by having new members enter into ASRS while they were in the academy because they didn't want the fund to take on the risk of injury to recruits during academy. A copy of the meeting minutes from 1999 was distributed to the Board. Ms. Messina stated that type of injury is very rare; she believes that there may be 2 instances where it occurred, both at other agencies. Ms. Messina stated that new recruits are currently entered into ASRS for the first 4-5 months during academy and then moved to PSPRS once they graduate. Ms. Messina noted that with the new Tier 3 effective July 2017, this will be an issue.

Board Legal Counsel Cynthia Kelley concurred, stating that effective July 2017 new members will have to make the required elections pertaining to the future retirement through PSPRS within 90 days of hire.

Ms. Messina added that the time in ASRS can be transferred to PSPRS, but it isn't dollar-for-dollar. The Board discussed the service purchase process in general.

Boardmember Millen asked for input from a member of the public audience, Tempe Police Commander Mike Horn. Commander Horn asked for clarification of when the Tier 3 “90 days” starts. Ms. Messina stated that she clarified with the State and the 90 days begins at date of hire.

The Board generally discussed the requirements pertaining to Tier 3 and the current hire process.

Commander Mike Horn addressed the Board stated that Tempe Police is reviewing how the Tier 3 process will impact their upcoming academy classes and whether they will need to move some of the classes around to minimize the impact on new employees. Commander Horn noted that education is an important part of implementation.

Ms. Broderick concurred, stating that staff has also discussed this with the Tempe Fire PSPRS Board. It will be critical to have time with the new employees to go over all of their options, especially since the option is irrevocable.

Boardmember Millen stated that changing when new recruits go into PSPRS will affect their seniority under the negotiated Memorandum of Understanding (MOU), which can impact things like vacation accrual. It will also result in some new employees having more seniority than employees hired prior to them.

Chair Methvin requested that staff bring information on the process back to the Board at the next meeting.

ITEM VIII – City of Tempe Lobbyist Registration Program:

Ms. Broderick stated that information from the City Clerk regarding the City's new Lobbyist Registration Program was included in the Board meeting packet. There were no questions from the Board.

ITEM IX – Future Meeting Date:

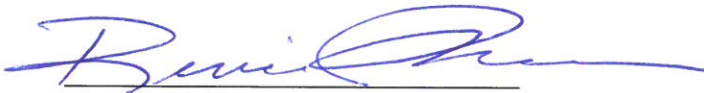
The next meeting is scheduled for February 2, 2017.

ITEM X - Future Agenda Items:

Ms. Broderick stated that staff will provide the annual list of members receiving disability benefits for the Board's review at the next meeting. The Board briefly discussed the review criteria in general. Board Legal Counsel Cynthia Kelley stated that she will provide an outline pertaining to possible scenarios at the next Board meeting.

Adjournment

Motion to adjourn by Jeff Millen; second by Bill Goodman. Motion passed unanimously on a voice vote 5-0. The meeting adjourned at 2:34 p.m.



Renie Broderick
Local Board Secretary